

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF INDIANA
INDIANAPOLIS DIVISION

FILED
U.S. DISTRICT COURT
INDIANAPOLIS DIVISION
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SOUTHERN DISTRICT
OF INDIANA
LAURA A. BRIGGS
CLERK

STATE OF INDIANA,

Plaintiff,

v.

CAUSE NO. IP99-0853-Y/S

SENIOR CITIZENS REMODELING, INC.,

SENIOR CITIZENS REMODELING OF
INDIANA, INC.,

HARVEY JACK WALLER,

ROBERT OLSON, SR.,

ROBERT OLSON, JR.,

SENIOR INCOME REVERSE MORTGAGE
CORPORATION,

STEVE BAER,

JEFF HOSTETTER,

COMMUNITY ACTION INCORPORATED,

CINDY ZEIGLER BOBOLZ, and

Defendants.

STIPULATION TO ENTER CONSENT DECREE
BETWEEN STATE OF INDIANA, COMMUNITY ACTION INC.,
AND CINDY BOBOLZ ZEIGLER

This action comes before the Court upon the filing of a Complaint by the State of Indiana on behalf of its citizens who, *inter alia*, have been or will be provided with Home Equity Conversion Mortgage (HECM) counseling by defendants Community Action Incorporated (CA)

and Cindy Zeigler Bobolz (Bobolz). CA and Bobolz have generally denied the allegations contained in the Complaint, but believe it is in their best interest to resolve the issues presented by the Complaint, thereby avoiding protracted and unnecessary litigation.

The State, CA and Bobolz accept this Consent Decree as final on the issues resolved herein. This Consent Decree, being entered with the consent of the State, CA and Bobolz, shall not constitute an admission or finding on the merits of the case. This Consent Decree is intended to resolve all issues in this action between the State and CA, and between the State and Bobolz. Because this Consent Decree does not resolve all of the claims made against all of the Defendants, this action will not terminate as to the remaining Defendants as a result of this Consent Decree.

In resolution of the dispute between them, the State, CA and Bobolz hereby agree and the Court expressly approves and enters the following:

INJUNCTIVE RELIEF

Defendants Community Action Incorporated and Cindy Zeigler Bobolz, their agents, representatives, employees, successors and assigns are permanently enjoined from engaging in the following:

1. providing Home Equity Conversion Mortgage (HECM) counseling in the State of Indiana;
2. representing, expressly or by implication, that Defendants are approved or authorized by HUD to provide HECM counseling to prospective Indiana borrowers;
3. certifying that Defendants have provided prospective HECM borrowers with HECM counseling as required by law when such counseling has not occurred;

4. certifying that Defendants have provided prospective HECM borrowers with HECM counseling as required by law when the counseling provided does not comply with HUD Regulation and/or the National Housing Act, 12 U.S.C. A. §1715z;

5. preparing Housing Counseling Activity and Unit Logs containing any false information pertaining to the substance and/or the duration of HECM counseling provided to prospective borrowers.

ATTORNEYS' FEES AND COSTS

6. Plaintiff has agreed to waive collecting fees and costs from CA and Bobolz pursuant to 42 U.S.C. §1988. This waiver will become automatically void by consent if CA or Bobolz violate the provisions of the agreed injunction.

STIPULATED SETTLEMENT AMOUNT

7. Community Action Incorporated and Cindy Zeigler Bobolz shall pay the sum of \$1200.00 to the Office of the Indiana Attorney General for consumer education, litigation, enforcement and other consumer protection purposes, at the discretion of the Attorney General.

CONTINUING JURISDICTION

8. The Court shall retain jurisdiction for the purpose of issuing such orders as may be necessary to interpret or enforce the provisions herein.

CONCLUSION

It is the intention of the State, CA and Bobolz that this Stipulation be approved and that a final judgment be entered thereon following final adjudication of the State's remaining claims against the other Defendants. The State, CA and Bobolz agree that this Court will enter an

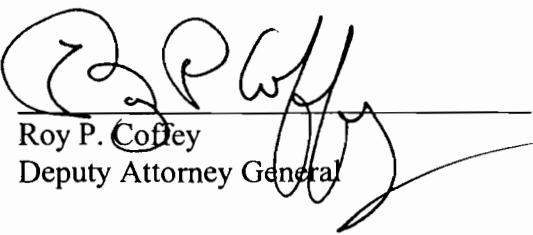
injunction as detailed above. The State, CA and Bobolz may obtain modification of the consent decree upon a showing to the Court that there has been a change in the governing law, whether by statute or regulation, and that the modification is necessary to comply with the change in law. Modifications relating to changed circumstances shall be governed by the standards of Rufo v. Inmates of Suffolk County Jail, 502 U.S. 367, 112 S.Ct. 748, 116 L.Ed.2d 867 (1992), which require, *inter alia*, that the party seeking modification "establish that a significant change in facts or law warrants revision of the decree and that the proposed modification is suitably tailored to the changed circumstance."

WHEREFORE, the State, CA and Bobolz request that this Stipulation be approved and entered, and that it be ordered following final adjudication of the State's remaining claims against the other Defendants. CA and Bobolz have signed this document on behalf of themselves, their agents, representatives, employees, successors, assigns, and all persons acting or claiming to be acting on their behalf, through any corporate business name or device. Attorney Kevin C. Potter has signed this document as legal counsel for CA and Bobolz. Roy Coffey, Theresa Stevens and Mary Ann Wehmueller, Deputy Attorneys General, have signed this document on behalf of Plaintiff, State of Indiana.

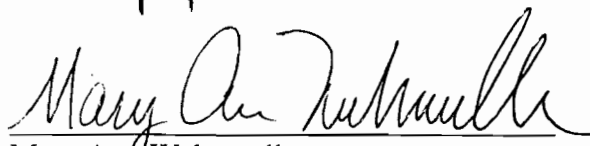
Respectfully submitted,

JEFFREY A. MODISSETT
Attorney General of Indiana


By:

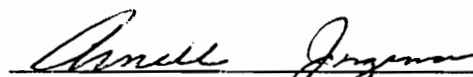

Roy P. Coffey
Deputy Attorney General


By:



Mary Ann Wehmuehler
Deputy Attorney General

By:


Theresa Stevens
Deputy Attorney General


Community Action Incorporated, Inc., Defendant
Arnell Jorgensen, Executive Director


Cindy Zeigler Bobolz, Defendant


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